

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 2794 - SB 2671**

March 3, 2022

**SUMMARY OF BILL:** Creates a Class A misdemeanor of knowingly or recklessly permitting a child under 12 years of age to have access to or possession, custody, or use of a firearm unless the person has the permission of the child's parent or guardian, the child is under the supervision of an adult, and the firearm was used for lawful sporting activity. Enhances, from a Class A misdemeanor to a Class E felony, the penalty for illegally providing a handgun to a juvenile.

**FISCAL IMPACT:**

**Increase State Expenditures – \$77,400 Incarceration**

**Decrease Local Expenditures – Net Impact - \$2,700/FY22-23 and Subsequent Years**

Assumptions:

- Pursuant to Tenn. Code Ann. § 39-17-1320(c), it is a Class A misdemeanor to intentionally, knowingly or recklessly provide a handgun to a juvenile.
- The proposed legislation enhances such penalty to a Class E felony.
- Based on information provided by the Administrative Office of the Courts (AOC), there has been an average of 0.6 Class A misdemeanor convictions of illegally providing a handgun to a juvenile in each of the last 5 years.
- This analysis assumes that only 10 percent of misdemeanor convictions are at the state court level. As a result, it is estimated that there are 6 convictions (0.6 / 10.0%) per year for such Class A misdemeanor.
- The average time served for a Class E felony is 0.66 years.
- The proposed legislation will result in 6 admissions annually serving 0.66 years.
- Based on population data from the U.S. Census Bureau, population growth in Tennessee averaged 0.74 percent per year for each of the past 10 years (from 2010 to 2020).
- The weighted average operational costs per day are estimated to be \$51.36 for inmates housed at state facilities and \$48.77 for inmates housed at local facilities.
- The estimated increase in incarceration costs are estimated to be the following over the next ten-year period:

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Increase in State Expenditures	
Amount	Fiscal Year
\$ 72,100	FY22-23
\$ 72,600	FY23-24
\$ 73,200	FY24-25
\$ 73,800	FY25-26
\$ 74,400	FY26-27
\$ 75,000	FY27-28
\$ 75,600	FY28-29
\$ 76,200	FY29-30
\$ 76,800	FY30-31
\$ 77,400	FY31-32

- Pursuant to Tenn. Code Ann. § 9-4-210, recurring costs increases are to be estimated on the highest of the next ten fiscal years; therefore, the recurring increase in incarceration costs will be \$77,400.
- This analysis assumes individuals convicted of a Class A misdemeanor offense of intentionally, knowingly or recklessly provide a handgun to a juvenile are spending the mandatory minimum 15 days in local jail.
- Based on cost estimates provided by local government entities throughout the state and reported bed capacity within such facilities, the weighted average cost per day to house an inmate in a local jail facility is \$60.69.
- The proposed legislation will result in a recurring decrease in local incarceration expenditures estimated to be \$5,462 ( $\$60.69 \times 6 \text{ offenders} \times 15 \text{ days}$ ) in FY22-23 and subsequent years.
- It is reasonably assumed the proposed legislation will result in three convictions annually for Class A misdemeanor of knowingly or recklessly permitting a child under twelve years of age to have access to or possession, custody, or use of a firearm.
- The recurring mandatory increase in expenditures to local government is estimated to be \$2,731 ( $3 \text{ convictions} \times \$60.69 \times 15 \text{ days}$ ) in FY22-23 and subsequent years.
- The net recurring decrease in expenditures to local government is estimated to be \$2,731 ( $\$5,462 - \$2,731$ ) in FY22-23 and subsequent years.
- The estimated fiscal impact of the proposed legislation does not consider the availability of beds in state and local facilities, but is based solely on the current operating costs of state facilities and the reimbursement rates for local facilities as is required by Tenn. Code Ann. § 9-4-210.
- All calculations used in completion of this fiscal note are available upon request.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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